

ACTION AGENDA

February 28, 2011

Worksession

Committee of the Whole

Regular Meeting

WORKSESSION AGENDA

1. CALL TO ORDER, 4:00 P.M.

Mayor Hornaday called the meeting to order at 4:00 p.m.

Councilmember Hogan has requested excusal.

2. AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 5)

The agenda was approved by consensus of the Council.

3. Resolution 11-007, A Resolution of the City Council of Homer, Alaska, Approving and Adopting the Comprehensive Economic Development Strategy (CEDS) and Forwarding the CEDS to the Homer Advisory Planning Commission for a Recommendation on Whether it Should be Adopted as Part of the Homer Comprehensive Plan. Economic Development Advisory Commission. Page 169

Resolution 11-007(S), A Resolution of the City Council of Homer, Alaska, Approving and Adopting the Comprehensive Economic Development Strategy (CEDS) and Forwarding the CEDS to the Homer Advisory Planning Commission for a Recommendation on Whether it Should be Adopted as Part of the Homer Comprehensive Plan. Economic Development Advisory Commission. Page 171

Memorandum 11-005 from Economic Development Advisory Commission as backup. Page 173

Economic Development Advisory Commissioners Shelly Erickson and Micheal Neece and Special Projects Coordinator Holen answered questions about the CEDS from Mayor and Council.

4. COMMENTS OF THE AUDIENCE

There was one public comment.

5. ADJOURNMENT NO LATER THAN 4:50 P.M.

Mayor Hornaday adjourned the meeting at 4:45 p.m.

COMMITTEE OF THE WHOLE AGENDA

1. CALL TO ORDER, 5:00 P.M.

Mayor Hornaday called the meeting to order at 5:01 p.m.

Councilmember Hogan has requested excusal.

2. AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 5)

The agenda was approved by consensus of the Council.

3. REGULAR MEETING AGENDA

4. COMMENTS OF THE AUDIENCE

There were no comments of the audience.

5. ADJOURNMENT NO LATER THAN 5:50 P.M.

Mayor Hornaday adjourned the meeting at 5:38 p.m.

REGULAR MEETING AGENDA

Session 11-08 a Regular Meeting of the Homer City Council was called to order on February 28, 2011 at 6:01 p.m. by Mayor James C. Hornaday at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: HOWARD, LEWIS, ROBERTS, WYTHER, ZAK

ABSENT: HOGAN (excused)

STAFF: CITY CLERK JOHNSON
CITY MANAGER WREDE
CITY PLANNER ABOUD
FIRE CHIEF PAINTER
PORT AND HARBOR DIRECTOR HAWKINS
PUBLIC WORKS DIRECTOR MEYER

Councilmember Hogan has requested excusal.

Mayor Hornaday declared Councilmember Hogan's absence as excused and there was no objection from the Council.

Department Heads may be called upon from time to time to participate via teleconference.

2. AGENDA APPROVAL

(Addition of items to or removing items from the agenda will be by unanimous consent of the Council. HCC 1.24.040.)

The agenda was approved by consensus of the Council with the following changes:

PENDING BUSINESS – **Resolution 11-007**, Comprehensive Economic Development Strategy (CEDS), public comment.

3. PUBLIC COMMENTS UPON MATTERS ALREADY ON THE AGENDA

There were two public comments.

4. RECONSIDERATION

None.

5. CONSENT AGENDA

(Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Meeting Agenda at the request of a Councilmember.)

- A. Homer City Council unapproved Special and Regular Meeting minutes of February 15, 2011. City Clerk. Recommend adoption. Page 17
- B. **Memorandum 11-026**, from Deputy City Clerk, Re: Liquor License Renewal for Fat Olives. Page 37

APPROVED without discussion.

6. VISITORS

- A. Bryan Zak, Small Business Development Center, 10 minutes.

Bryan Zak, Director for the Small Business Development Center (SBDC), Kenai Peninsula, reported he oversees one of the five regions throughout Alaska. His territory includes cities on the Southern Peninsula including Tyonek and the Aleutian chain. The mission of the SBDC is to promote and assist in the growth and development of small business in Alaska. They assist in finding a plan to reach the next level, are business advisors, and create collaborative experiences with community partners. Annually the SBDC updates the breadth and depth of the business tool box, consistently reporting clients' actions. All information gathered is confidential; business ideas are not shared with others unless authorized. Kevin & Donna Maltz, Fresh Sourdough

Express owners, are a fine example of a business starting from a bread truck to a viable business they operate and employ lots of people.

The SBDC started in Alaska in 1986, this being their 25th year. The Homer Chamber of Commerce provides an office and two years ago the City allocated funding for classes, creating an opportunity for the SBDC to leverage funds. There are opportunities within sustainable Homer for economic development. Micro lending companies are needed to get small businesses funded. The SBDC provides different tools for both start-up and existing businesses, along with the tools and strategy to pay credit cards off that were used to fund businesses. Additionally, the SBDC helps with a business plan, enlisting ROPE, PTAC, and BuyAlaska services.

Mayor Hornaday presented Bryan Zak and the SBDC a plaque recognizing the contributions of the director and the organization.

7. ANNOUNCEMENTS/PRESENTATIONS/BOROUGH REPORT/COMMISSION REPORTS

A. Mayor's Proclamation – Alaskans Choose Respect

Mayor Hornaday read and presented the proclamation to Haven House representative Jessica Lawmaster. On March 31st Homer will participate in planned events to include a stand up for peace to end domestic violence and sexual assault. More events are planned in April, as it is the designated month to end child sexual assaults and child abuse. Haven House events will be advertised in the local newspaper and radio.

B. Borough Report

Kenai Peninsula Borough Assemblyman Bill Smith reported the Assembly is getting into the budget year, deciding on the funding for the school district and the solid waste transfer site at Bayview Hill. The current fund balance is \$19M. The established range is between \$12M and \$22M. Last year \$3M was used to pay off bonds for the solid waste site in Seldovia and other government operations. Eighty percent of the monies the KPB collect goes to the KPBSD. Mayor Carey and Assemblyman Smith are sponsoring a resolution to fund schools the same amount as last year. It will still provide opportunity to fund more later in the year. The KPB School Board will adopt their budget April 4th and forward to the KPB; the KPB then has 30 days to tell them what their minimum funding level will be.

Funding the solid waste transfer site to replace the landfill is another big issue. The landfill has to be closed by August 2013. An extension until December 2013 is sought to get an extra construction season. The intent is to fund the project without going for a bond issue. The project may be phased, with half completed in 2012 and the other half in 2013. The project is anticipated to cost \$9.5M to \$12M, with \$3 to \$3.5M from the land trust fund and \$3.5 from the fund balance. A mil rate increase of .5 mil would raise \$3.2M. Money has been requested from the Legislature as well. Mayor Carey has proposed to eliminate the tax holiday on unprepared food. The food tax holiday costs the KPB \$2.8M per year.

Council asked Assemblyman Smith questions regarding the proposed mil rate, funding for the college, and LNG plant closure. Mr. Smith answered the mil rate increase would be temporary, the college may be funded fully, and the Nikiski plant closure would not have an effect until next year.

C. Commissions/Board Reports:

1. Library Advisory Board
2. Homer Advisory Planning Commission
3. Economic Development Advisory Commission
4. Parks and Recreation Advisory Commission
5. Port and Harbor Advisory Commission

Mayor Hornaday commented the Climate Action Plan was selected to be included in a book Cal Poly will publish. The CAP is one of six selected and is being used in the classroom.

Mayor Hornaday reported on a telephonic meeting he participating in with Alaskan mayors and Senator Begich.

8. PUBLIC HEARING(S)

- A. **Ordinance 11-03**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 21.03.040, Definitions Used in Zoning Code; Homer City Code 21.12.020, Rural Residential (RR), Permitted Uses and Structures; Homer City Code 21.14.020, Urban Residential (UR), Permitted Uses and Structures; and Homer City Code 21.16.020, Residential Office (RO), Permitted Uses and Structures; and Homer City Code 21.61.060, Termination of Nonconforming Use or Structure; Regarding the Accessory Use of Storage in Residential Zoning Districts. Planning. Introduction February 15, 2011, Public Hearing and Second Reading February 28, 2011.

Memorandum 11-017 from City Planner as backup.

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There was one who testified.

AMENDED: Lines 181 and 182 deleted.

ADOPTED as AMENDED.

RECONSIDERED (under Comments of the Council). Scheduled for March 14, 2011.

- B. **Ordinance 11-04**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a State of Alaska Legislative Grant in the Amount of \$1,457,758.20 for the

There was no public testimony.

ADOPTED without discussion.

- C. **Ordinance 11-05**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a State of Alaska Legislative Grant in the Amount of \$1,000,000 for the Purpose of Conducting Preliminary Work on Phase I of the Deep Water Dock Expansion Project to Include Scoping, Feasibility Studies, Environmental Work, and Engineering and Design. City Manager. Introduction February 15, 2011, Public Hearing and Second Reading February 28, 2011. Page 107

There was one who testified.

ADOPTED without discussion.

- D. **Ordinance 11-06**, An Ordinance of the City Council of Homer, Alaska, Accepting and Appropriating a State of Alaska Legislative Grant in the Amount of \$250,000 for the Purpose of Constructing Park Improvements Contained in Phase I of the Karen Hornaday Park Master Plan. City Manager. Introduction February 15, 2011, Public Hearing and Second Reading February 28, 2011. Page 115

There was no public testimony.

ADOPTED without discussion.

- E. **Ordinance 11-07**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$17,000 from the Fire Department Depreciation Reserves for the Purchase and Installation of New Data Collection and Management Software. City Manager/Fire Chief. Introduction February 15, 2011, Public Hearing and Second Reading February 28, 2011. Page 123

Memorandum 11-018 from Fire Chief as backup. Page 127

There was no public testimony.

ADOPTED without discussion.

- F. **Ordinance 11-08**, An Ordinance of the City Council of Homer, Alaska, Authorizing an Expenditure of \$359,800 (\$67,860 from the Water/Sewer Reserve and \$291,940 from the Homer Accelerated Roads and Trails Program (HART) for the Purpose of Completing the Design and Construction of Soundview Avenue / Woodard Creek Crossing Improvement. City Manager/Public Works Director. Introduction February 15, 2011, Public Hearing and Second Reading February 28, 2011. Page 131

There was no public testimony.

ADOPTED without discussion.

9. ORDINANCE(S)

- A. **Ordinance 11-09**, An Ordinance of the City Council of Homer, Alaska, Amending Homer City Code 19.12.020, Definitions; Amending Homer City Code 19.12.040, Reference to Materials Plat—Permits; and Amending Homer City Code 19.12.050, Exceptions; Regarding the Use and Disposal of Dredge Material from City Port and Harbor Facilities. City Manager/Port and Harbor Director. Recommended dates: Introduction February 28, 2011, Public Hearing and Second Reading March 14, 2011.

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ADOPTED without discussion.

- B. **Ordinance 11-10**, An Ordinance of the City Council of Homer, Alaska, Amending the FY 2011 Operating Budget by Appropriating \$11,000 from the General Fund for the Purchase and Installation of New Data Collection and Management Software for the City Hall Servers. City Manager. Recommended dates: Introduction February 28, 2011, Public Hearing and Second Reading March 14, 2011.

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Memorandum 11-027 from Systems Manager as backup.

Page 153

ADOPTED without discussion.

10. CITY MANAGER'S REPORT

- A. City Manager's Report

Page 155

City Manager Wrede reported he informed DOT the Main Street/Sterling Highway Intersection resolution failed and that Council prefers to go ahead with a scaled back intersection improvement with a traffic signal. Council is not pleased it will be another two years before the project and requests an interim short term improvement to address immediate safety concerns. Council will opt for the bigger STIP project later on.

The memorandum about Community Recreation from Mike Illg was addressed at the last council meeting. Mike Illg, Sheri Hobbs, and City Manager Wrede met with school district officials. The meeting was very productive in bringing concerns to the table, things we can do to help the school district, and talk about the cost of water and conservation. Maybe Council would consider not charging the KPBSD the commercial rate, although it would shift costs to someone else. There was discussion the district could use our gym in the event of overflow. The school district wanted to know if we were considering using city equipment to rid snow for earlier play.

On the Bridge Creek Fire Mitigation Project, the Spruce Bark Beetle folks are advertising for a contractor with a closing date of March 8th. They incorporated everything in the Conditional Use Permit. Phase I will be the mechanical work which may not get finished this year, but they can come back next winter. The money will not run out until July 2012. This April there is a contract for the hand work with selected loggers going in and taking trees in areas too sensitive for mechanical equipment.

Councilmember Roberts reported on the City Hall Renovation and Expansion Project. The task force met with Carey Meyer and the contractors last week to review the general drawings of the proposed addition in its 10% design phase. The task force is pleased and moving forward. The budget does not quite cover all the work; they are working to include energy items that will save money in the future and replace worn out items.

Councilmember Wythe reported there is a long list of things identified when the college did their walk through of City Hall. There are genuine wear and tear items on the building. We could use depreciation funding to pay for those items. We will come back to Council to request depreciation funding to make those things happen while in construction.

Councilmember Lewis asked if people would be able to retrieve the wood from the spruce bark beetle mitigation program. City Manager Wrede answered although that was part of the original plan, after talking to the Soil and Water Conservation District there was concern about disturbing the soil by dragging logs out. There is an agreement that no skidding and logging be done; the logs will be dropped and left on the ground. Caution will be used when individuals go in with mechanized equipment.

B. Bid Report Page 165

C. Records Inventory Report Page 167

11. CITY ATTORNEY REPORT

12. COMMITTEE REPORT

- A. Public Arts Committee
- B. Transportation Advisory Committee
- C. Permanent Fund Committee
- D. Lease Committee
- E. City Hall Renovation and Expansion Task Force
- F. Natural Gas Distribution Task Force

Councilmember Zak reported the task force met today and forwarded their recommendations to the City Manager with a resolution and supporting documents that will be forwarded to Council. They looked at four questions in determining if they should support natural gas in Homer. The task force had presentations from Enstar, Kachemak City, and other regional partners. Today the task force expressed support for natural gas. Funding to distribute lines off the main lines will be defined at a later time. Kachemak City Mayor Phil Morris spoke about the need to write letters to Legislators for support. The community needs to get behind it to realize the savings. Increase fuel costs are having an impact on property owners.

Letters of support for the gas line should be copied to the Governor and key Legislators. Addresses can be accessed on the City's website.

13. PENDING BUSINESS

- A. **Resolution 11-007**, A Resolution of the City Council of Homer, Alaska, Approving and Adopting the Comprehensive Economic Development Strategy (CEDS) and Forwarding the CEDS to the Homer Advisory Planning Commission for a Recommendation on Whether it Should be Adopted as Part of the Homer Comprehensive Plan. Economic Development Advisory Commission. (Postponed from January 10, 2011.)

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Resolution 11-007(S), A Resolution of the City Council of Homer, Alaska, Approving and Adopting the Comprehensive Economic Development Strategy (CEDS) and Forwarding the CEDS to the Homer Advisory Planning Commission for a Recommendation on Whether it Should be Adopted as Part of the Homer Comprehensive Plan. Economic Development Advisory Commission. Page 171

Memorandum 11-005 from Economic Development Advisory Commission as backup.

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AMENDED to strike reference to forwarding the CEDS to the HAPC on whether it should be adopted as part of the Comprehensive Plan.

RESOLUTION 11-007(S)(A) ADOPTED as AMENDED.

14. NEW BUSINESS

15. RESOLUTIONS

- A. **Resolution 11-022**, A Resolution of the City Council of Homer, Alaska, Expressing its Intent to Continue Including the Pratt Museum in the City Contract for Snowplowing and Sanding Services and to Provide that Service to the Museum as an "In-Kind" Contribution. City Manager.

Page 231

Memorandum 11-028 from City Manager as backup.

Page 233

AMENDED to include up to \$2,500 in services per year.

ADOPTED as AMENDED with discussion.

- B. **Resolution 11-023**, A Resolution of the Homer City Council Finding the Need to Create the Kachemak Drive Phase Two Water and Sewer Local Improvement District, and Scheduling a Public Hearing on the Necessity of the Improvement and Proposed Improvement Plan at the April 11, 2011 Regular City Council Meeting. City Manager/Public Works Director. Page 235

Memorandum 11-029 from Public Works Director as backup. Page 237

POSTPONED to March 14, 2011.

- C. **Resolution 11-024**, A Resolution of the City Council of Homer, Alaska, Awarding the Contract for the Replacement and New Installation of a Card Reader Access System to the Firm of _____ of _____, _____, in the Amount of \$_____ and Authorizing the City Manager to Execute the Appropriate Documents. City Clerk. Page 241

PULLED.

16. COMMENTS OF THE AUDIENCE

There were two who commented.

17. COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner was not present.

18. COMMENTS OF THE CITY CLERK

City Clerk Johnson had no comment.

19. COMMENTS OF THE CITY MANAGER

City Manager Wrede had no comment.

20. COMMENTS OF THE MAYOR

Mayor Hornaday commented we lost Mary Thompson and a young man, Justin Tennison; too many funerals.

21. COMMENTS OF THE CITY COUNCIL

Councilmember Wythe commented as to Ordinance 11-03 she is not certain where a vehicle could become a wheelbarrow, since it would not be used on a highway or vehicular right of way. There is a definition of vehicle included, which excludes devices used on stationary rails, tracks and mobile homes. There is no perfect answer to zoning. A volume of area does become a difficulty. There are a lot of downsides to expanding zoning into areas that have been annexed. You bring them into compliance to the code established within the community. As the community grows that is a natural tendency. Although she is not a fan of zoning and planning, she recognizes the necessity of creating areas that are consistent in application and consideration for the people that move into those areas.

Councilmember Lewis called for reconsideration of Ordinance 11-03 to allow people that have become part of the City to have their say. He congratulated the ski team boys on winning regions, the first time in a long time Region 4 has won. Great job and good coaching!

Councilmember Roberts commented besides winning the region's skiing, the Battle of the Books team from the Homer High School won second in the state. She reminded everyone the region basketball tournament will bring 300 people to town beginning Thursday through Saturday. She asked that we welcome the visitors to town and attend the basketball games at Homer High School.

Councilmember Howard had no comment.

Councilmember Zak reiterated the importance of writing letters to Representative Seaton and Senator Stevens regarding the gas line. If guidance is needed he, or a member of the task force can be contacted. He congratulated the CAP task force to be selected by Cal Poly to be included in their book. He is going to tie into the CEDS document; it was another incredible job. He would hope it is forwarded to Cal Poly to be included in the book; it may be a good fit to tie to economic development. He thanked the Mayor for the SBDC recognition that caught him by surprise.

22. ADJOURNMENT

There being no further business to come before the Council, Mayor Hornaday adjourned the meeting at 7:31 p.m. The next Regular Meeting is scheduled for Monday, March 14, 2011 at 6:00 p.m. The next Committee of the Whole is scheduled for Monday, March 14, 2011 at 5:00 p.m. A Special Meeting is scheduled for Thursday, March 3, 2011 at 5:30 p.m. and a Joint Worksession for Monday, March 7, 2011 at 6:00 p.m. All meetings scheduled to be held in the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.